

9-1-1 ADVISORY COUNCIL

February 18, 2016

State Capitol, Helena

ATTENDEES: Bob Armstrong, DOJ/MHP Alternate; Delila Bruno, DMA/DES; Kimberly Burdick, MT APCO; Tom Butler, DOJ/MHP; Michael Fashoway, MSL Alternate; Geoff Feiss, MTA; Peggy Glass, PSAPs <30K; Bill Hunter, PSAPs >30K; Lisa Kelly, CenturyLink; Gary Macdonald, MACo; Greg Megaard, MFCA; Rick Musson, MACOP; Kerry O'Connell, PSAPs >30K Alternate; Zach Slattery, MT APCO Alternate; Jennie Stapp, MSL; and Chuck Winn, MT League Cities & Towns.

CONFERENCE CALL: Dorothy Gremaux, PSAPs <30K Alternate; Eric Hoover, MSPOA Alternate; Curt Larson, Chouteau Co. SO; Leonard Lundby, MTVFF; and Les Maxwell, Chouteau Co. SO.

STAFF: Quinn Ness, DOA/SITSD; Rhonda Sullivan, DOA/SITSD; and E. Wing Spooner DOA/SITSD

GUESTS: Sandra Barrows, Barrows Consulting; Mark Baker, AT&T and Charter; Susan Bomstad, MT APCO; Peter Callahan, Helena 9-1-1; Dan Hawkins, DHS OEC; Chris Lounsbury, Missoula County; Sonja Nowakowski, LSD; and Shantil Siaperas, MACo.

CALL TO ORDER: The meeting was called to order at 1:30 pm by Acting Chair, Quinn Ness. Introductions were made.

ADOPTION OF MINUTES: Gary Macdonald moved to accept the January minutes, and Kim Burdick seconded. Bill Hunter clarified that those minutes reflect a general overview of discussion items rather than specific items upon which the council took action. The motion carried.

DRAFT LEGISLATIVE RECOMMENDATIONS DISCUSSION:

Quinn Ness reiterated that the 9-1-1 Advisory Council (Council) was tasked with providing draft legislative concepts to provide to the Legislative Energy and Telecommunications Interim Committee (ETIC) by March 11. Quinn said that the Council is encouraged to come to consensus on these concepts and to formally take action on them during the meeting. He also clarified that the Council is not adopting draft legislation. There is a separate, open legislative process that is used to propose and adopt legislation. The Council is tasked with developing and coming to consensus on high-level concepts that are meant to provide direction to the ETIC.

Proposed legislative concepts to support both legacy 9-1-1 services and systems as well as the future deployment of Next Generation 9-1-1 (NG 9-1-1) were drafted based on Council input and distributed to members prior to today's meeting. The concepts are organized into the following sections: Jurisdiction, Governance, Technology and Funding. Today, Council members will review each draft concept, make modifications if needed, and formally adopt them.

JURISDICTION: The division of authorities and responsibilities between state and local government.

- The difference between "primary" and "secondary" PSAPs was explained. The draft concepts propose that only primary PSAPs would be eligible for 9-1-1 funding.
 - The Montana Highway Patrol (MHP) PSAP is considered a secondary PSAP.
 - Gallatin County has two primary PSAPs: One in Bozeman and one in West Yellowstone. MSU operates a secondary PSAP.
 - Lincoln County has one primary PSAP and two secondary PSAPs located in Troy and Eureka. (However, from a service-provider perspective, since network services are provided directly to Troy and Eureka and not transferred to them, those PSAPs could technically be considered "primary.")
 - Clarity is needed for the definitions of "primary" vs. "secondary."

- Currently the term “9-1-1 jurisdiction” is used in statute, and in the proposed concepts, the term has been changed to “9-1-1 District” along with a definition that states that a 9-1-1 District can be formed through an inter-local agreement between local governments. In the case of Lincoln County, it is considered the 9-1-1 jurisdiction, and it is the direct recipient of 9-1-1 program funds. It can then allocate or distribute some of those funds directly to other PSAPs in the county.
- Should all PSAPs be potential recipients of state 9-1-1 funds, or should a distinction be made between primary and secondary?
- Primary PSAPs maintain all addresses for that district via the MSAG (Master Street Address Guide).
- Dorothy Gremaux reported that she represents a consolidated PSAP (the Central Montana 9-1-1 Center), which dispatches for Fergus County, Judith Basin County, the City of Lewistown, and Petroleum County. They work with secondary PSAPs in those areas. Her PSAP would be considered a primary PSAP using the proposed definition.
- Chuck Winn asked whether or not secondary PSAPs would be eligible for direct state 9-1-1 program funding. The Lincoln Co. example was revisited. It receives direct 9-1-1 program funding in its role as the primary PSAP. Agreements are in place between Lincoln Co. and the Troy and Eureka PSAPs, and some 9-1-1 funds are allocated to them. That is their agreement, and the state does not have any involvement. Proposed language adopted today should not inadvertently preempt any existing agreements.
- Perhaps the Council wants to specify that only “Primary PSAPs” will directly receive 9-1-1 program funding.
- The Council needs to be cautious that the proposed language does not unfairly penalize PSAPs that have consolidated. It was clarified that since funding distributions are based on the population of the entire 9-1-1 District, consolidated PSAPs will not be penalized.
- The State of Montana does not want to interfere with any agreements between other government agencies. Inter-local agreements can be used to address issues such as which entity will host the dispatch center, what services will be provided, and how funding will be allocated. The state does not want to inject itself into any of those agreements or negotiations in any way.
- In the past, there have not been any requirements for written legal agreements between 9-1-1 PSAPs and/or local governments. This is why the draft legislative concepts suggest that agreements be in place to create legal 9-1-1 districts.
- When there is simply an informal understanding about which department or agency is actually hosting the dispatch center rather than a written, legal agreement, confusion and misunderstanding can result when there is a turnover among elected officials, such as commissioners and/or sheriffs. So, one purpose of the proposed concepts is to specify that local governments can create 9-1-1 districts, but they have to do so via written inter-local agreements.
- The general perception is that counties are the entities that receive all 9-1-1 monies, but that is not necessarily the case across the state. (i.e. Cities of Lewistown and Great Falls). To ease and simplify administration of the 9-1-1 program, it should be clarified that the recipient of 9-1-1 program funding is the entity accountable for the state funds and providing the 9-1-1 services. The current statute is unclear and has created some issues in the past.
- The draft legislative recommendations should include a definition of “primary” and “secondary” PSAPs. They should also clarify whether secondary PSAPs are or are not eligible for direct state 9-1-1 program funding.

Consensus was sought on the issue of including a definition of a “primary” PSAP in statute and stating that primary PSAPs will be the recipient of state 9-1-1 program funding. An informal voice vote was used to determine consensus, and it passed.

- The Montana Highway Patrol (MHP) PSAP serves as a back-up to the Helena 9-1-1 Center. Col. Butler sought clarification on whether these definitions of “primary” and “secondary” PSAPs would restrict the Helena 9-1-1 Center and/or Lewis and Clark County from making equipment improvements at the MHP

PSAP if they should so desire. It was reiterated that the state does not want to inject itself in agreements already in place.

- Dorothy explained that Kevin Myhre, City of Lewistown Manager, wanted her to relay two points: 1) The Council needs to be careful of writing something that would discourage jurisdictions from consolidating their PSAPs in the future, and 2) Funding will not be cut for any jurisdiction that wants to or already has consolidated.
- The proposed language is meant to simply clarify the existing environment. The definition of “Primary PSAP” will be examined. The initial recipient of 9-1-1 program funding will be either a local government or a 9-1-1 District, which is an entity created by local governments. The 9-1-1 District hosts the Primary PSAP. Where the funding goes from there is a decision of the local government “recipient”.

The Council moved to the second major recommendation in the proposed legislative concepts: that of continuing the state role of collecting the 9-1-1 fee from telecommunications providers and allocating and distributing the fees to eligible recipients (local governments, 9-1-1 districts and telecommunication providers) on a quarterly basis.

Department of Administration (DOA) Duties and Powers: Members discussed Dept. of Administration (DOA) duties and powers.

- Bill Hunter, who represents PSAPs serving populations greater than 30K, indicated that his constituents suggested adding additional DOA responsibilities, including acting as an advisor on technical and logistical matters involving 9-1-1 current and future technologies and serving as the central repository for questions that PSAPs might have so as to save PSAPs from incurring expenses associated with hiring outside consultants. They also would like DOA to assist 9-1-1 Districts, as available, with deployment of current and future 9-1-1 technology.
- The PSAPs-Greater-Than-30K constituency is requesting that DOA offer technical assistance for the deployment of 9-1-1 technologies, systems and planning upon request.
- Technical assistance may require some additional resources, such as an additional FTE, professional services and an operating budget to support the department in providing technical assistance services.
- Geoff Feiss stated that he is not sure if it’s a state responsibility to supply technical assistance. He wants to think about it, especially if it will require additional FTE. He sees it more as a local jurisdiction issue.
- A technical consulting layer is needed as the state moves towards NG 9-1-1 and other future technologies.
- If technical assistance is a needed/required service, then it can be proposed to the ETIC.
- What vehicle would be used to procure statewide systems and services. Such as the ESiNet and the discussion about issue an RFP for the network.
- Quinn noted that DOA would require additional authorities and resources to support the procure of the ESiNet, technical assistance, plans, assessments, etc. Resource requests need to come from and be supported by the stakeholders (Council). Any proposal for additional resources has to have everyone’s buy-in and support.
- Everyone is working in a resource-constrained environment. So, the reality is that the State 9-1-1 Program would not be able to assume additional duties without more resources.
- The Montana State Library provides technical assistance to ensure consistent high quality service across the state and to address statewide planning.
- Another role for DOA might be to examine statewide needs and develop and establish a statewide plan for 9-1-1 through the Council’s auspices and engagement. The plan would also require legislative changes and resources.

DOA’s Rulemaking Authority:

- Bill Hunter recommended that the word “allowable” be eliminated from the third bullet, and the rest of paragraph read as follows: “establishing rules regarding uses of program funding by local governments and 9-1-1 districts. The rest of the paragraph would be eliminated.

- A clear definition of where 9-1-1 ends and emergency response begins is needed. It would be unfortunate if important items were inadvertently left out or prohibited because of differing definitions.
- The prohibition against funds being used for infrastructure could cause confusion.
- It's important for this Council to help the 9-1-1 program establish meaningful and clear rules.
- Gary Macdonald said that MACo and the commissioners with whom he has visited believe that the county is responsible for communications with emergency responders once the call has been dispatched.
- Allowable costs for telecommunications providers is another conversation that needs to be held.
- More discussion is needed about "allowable costs," and these are different from where the money starts and stops for PSAP jurisdictions.
- Understanding where 9-1-1 starts and ends is potentially a local decision.
- Can a local government use its state 9-1-1 funding for communications devices, technology or systems for communications between emergency responders or for communications back to the dispatch center? This is difficult to put parameters around, especially when one considers the role of Land Mobile Radio (LMR).
- There are three definitions of 9-1-1 functionality:
 - 1) Transfer (when a call is taken, the proper jurisdiction is determined, and the call is transferred to that authority;
 - 2) Referral (the 9-1-1 operator takes the information down and then calls another agency to give them that information, but does not directly dispatch), and
 - 3) Direct Dispatch. Most of the Council members present use the direct dispatch method. Basically, responsibilities can be summarized as follows: Get the call, determine the location, find out what's wrong, determine the proper response, and tell somebody. Different methods of telling someone can be used.
- Based on this analogy of how 9-1-1 works, that initial dispatch call over LMR probably would be a 9-1-1 resource because you have to inform somebody to complete the 9-1-1 process. For a referral or transfer, you need a telephone bridge. In a direct dispatch, you need a first radio transmission. So, should 9-1-1 funding pay for a radio to connect to a radio network? Possibly. But, should it pay for the network of radios itself? That is the question.
- Col. Butler expressed concern that MACo would potentially limit the ability of local counties to address a wide variety of needs, troubles and issues. A dispatch center may have stellar facilities, but not be able to talk to anyone. Likewise, another area may have problems inside its 9-1-1 center, but have perfect communications throughout the county. We need to recognize that dispatchers are calling someone on an LMR system the majority of the time. Those systems are in need of upgrade in various areas across Montana.
- The majority view in previous discussions about prioritizing funding was that the Council should continue endorsing the concept of local control and local decision making. It should be careful about putting too many hard requirements in statute. If a definition of, say, allowable costs, were to be used in statute, a suggestion was made to use those that the Council feels strongly about and that are clear cut. Less clear cut areas can be discussed in the rulemaking process.
- Prioritization could be based on "following the call," meaning that there can't be a response unless the phone is able to ring. So whatever needs to go on in the background to ensure that the phone rings should to be a priority. Next, a dispatch center is needed for the phone to ring into. Then, someone needs to be notified to do something about the call. So, prioritization might start with the phone being able to ring and continuing to follow the call to its logical end.
- When the phone rings in a 9-1-1 center, there needs to be someone in the seat to answer the call.
- The question was posed as to how many dispatchers are employed around the state as a result of 9-1-1 funds. Bill Hunter reported that a portion of dispatcher salaries at the City of Great Falls dispatch center are offset by state 9-1-1 funds.
- Gary Macdonald stated that in 2013, over \$2.39 million was spent on dispatcher payrolls across the state.

- Rhonda Sullivan volunteered to look at past monitoring reports, but she noted that they change from year to year because 9-1-1 funds may be used to offset multiple employee salaries one year and none the next.
- Gary stated that he believes the legislature established 9-1-1 funding to be able to maintain state-of-the-art dispatch centers. Because that technology is expensive, counties and other 9-1-1 jurisdictions have set aside state 9-1-1 funds in local government savings accounts to pay for large purchases such as new computers and consoles.
- Bill Hunter agreed, and also pointed out that all the latest technology and equipment at a dispatcher center will not do any good unless there are bodies to fill the seats.
- It is local government's responsibility to ensure that dispatch centers have the necessary equipment to receive calls.
- Geoff Feiss pointed out that \$2 million represents about 15% of the total 9-1-1 program funds that are raised, which is a lot of money that could potentially go towards salaries.

Quinn reminded members that the Council is charged with identifying concepts for legislative changes that are required to enable the deployment of NG 9-1-1 and suggested that it was time for a motion.

Motion: Bill Hunter moved to adopt the Jurisdiction concepts as written, with three changes:

1. The addition of a definition of a "primary" PSAP that clearly identifies that the local government/9-1-1 District will be the initial recipient of state 9-1-1 program funds;
2. An additional DOA duty and power is to develop a statewide 9-1-1 system plan;
3. The modification of the last bullet under the section about DOA's rulemaking authority to read: "establishing rules regarding uses of program funding by local governments and 9-1-1 districts."

Chuck Winn seconded. The motion carried.

GOVERNANCE: Quinn explained that this body is an advisory council, which advises the department on the 9-1-1 program, as opposed to a board, which would have the authority to make decisions, approve funding and approve the eligibility of a local government or 9-1-1 district. In previous discussion, the majority of members seemed to lean toward continuing with an advisory council, which is proposed in the draft concepts.

- An advisory council has value in obtaining stakeholder input and engagement in the management of the 9-1-1 program. At a minimum, the advisory council should be continued.
- If members decide to form a board, the board would have rule-making authority and would be able to adopt rules.
- With an advisory council, DOA would have the authority to adopt rules, following established procedures, which are: The Council would draft the rules and a formal administrative rule-making process would be followed. This would require issuing the draft rules, soliciting public comment, obtaining a response and then adopting the rules. The process is not easy or simple, but it is purposely designed that way to ensure public involvement and engagement.
- The draft concepts "clean up" existing statutory language, including Council membership. Current statutory language was written in the original Emergency Telephone System Act back in 1985 and refers to specific agencies that no longer exist. This draft will recommend to the legislature that current stakeholders on the Council continue to be included in the future.
- The Governor appoints board members as well as advisory council members.
- If the Council wants to recommend that a board be created, it might also want to create an executive board so that business can be conducted more effectively. This is useful when boards are larger than 11 members. Most state boards have 5 to 7 members.
- Nothing in state law says the DOA has to willingly accept the advice of an advisory council; however, it would not be politically wise to do so.
- With a board, your stakeholder group representative presumably would represent your interests.
- More specifics are needed in identifying authority and rules by which the evolution of 9-1-1 is funded. Under the "Jurisdiction" section, the Council already added another duty to the DOA's duties and

power, which should address this concern. It is being recommended that the DOA have the power to establish “rules regarding uses of program funding by local governments and 9-1-1 districts.”

- The statute should clarify that the advisory council/board needs to meet on a regular basis (i.e. quarterly). Asked why the Council stopped meeting for a while, Quinn Ness explained that it was mainly due to a temporary lack of funding. During an internal audit, it was discovered that Wireless Cost Recovery Funds were inappropriately used for a non-statutory purpose, and a decision was made to re-pay those funds from the administrative budget.
- The Council must have resources necessary to hold its meetings on a regular basis.
- The Legislative Audit Committee audits state agencies on the use of and adherence to statutes in regard to advisory councils to ensure that their operation meets the intent of statute.
- To clarify the difference between an advisory council and a board, one can ask the question, “At the end of the day, who makes final decision?” The department or a board? If it is the department, then you have an advisory council. The council advises the department on decision making, but the department makes the final decision. With a board, it makes the final decision.
- Rather than prescribing things in statute, a little more decision making is being given to DOA in that the Council delegates the department to adopt decisions via the rule making process.
- The draft recommendations are fairly straightforward. The first bullet recommends that Council membership be updated to ensure that all companies and associations currently represented on the Council will be represented in future advisory councils. This is needed because the current statute is grossly out of date.
- The second bullet recommends that the Council’s duties will include advising DOA in the management of the state 9-1-1 program including the adoption of administrative rules for:
 - establishing eligibility requirements for telecommunications providers and allowable costs for cost recovery;
 - establishing eligibility requirements for designating primary PSAPs that are hosted by a local government or 9-1-1 district and eligibility for receiving program funds; and
 - establishing allowable uses of program funding by local governments and 9-1-1 districts.

Motion: Chuck Winn moved to adopt the draft concepts as proposed with an amendment that the Council is have the necessary resources so it can meet on a regular/quarterly basis, depending on Council business requirements. Bill Hunter seconded. The motion carried.

TECHNOLOGY: The technology section contains recommendations for maintaining current technologies and supporting the deployment of future NG 9-1-1 technologies. The three bullets in the draft concepts read as follows:

- Continue to support local decision making in maintaining legacy technologies and deploying new technologies and services.
- The Department, based on industry standards (ex: National Emergency Number Association (NENA)) and with guidance from the 9-1-1 Advisory Council, shall adopt rules for technology standards for primary PSAPs (i.e. eligible recipients of program funding).
- Ensure the Department has the necessary rule making authority in statute to establish statewide technology standards.

Discussion items included the following:

- Anytime a government entity prescribes standards, they invite trouble. Previous discussions determined that technical standards would not be mandated, but there would be an expectation that industry best practices and/or NENA standards would prevail.
- Some kind of set standards need to be maintained, such as for GIS data that crosses jurisdictional boundaries. An amendment could be added to the second bullet stating “for any of those standards that are particular to statewide or multi-jurisdictional programs.”

- The intent of the draft concept was for the Department to adopt standards for technologies or systems that would go beyond the border of a particular jurisdiction so there is some uniformity across the state.
- The issue of adopting technology standards is both a planning and a standards development process
- By providing technical assistance and planning, we want to encourage a statewide deployment that uses a shared expectation of what standard services and technologies are to be used.
- Understanding the appropriate level and depth of standards is the difficult part.
- The Council will also need to address whether certain standards are voluntary or not.
- Currently, the draft concepts read that a PSAP would have to have a basic standard of technology in its equipment and services in order to be designated as a “primary” PSAP and then be the initial recipient of 9-1-1 program funds.
- The standards should be mentioned in statute, but they shouldn’t be so restrictive as to limit competition so that local jurisdiction can still get decent pricing.
- The statute should not be too explicit because technology is going to keep evolving, and we don’t want a mandated standard that may become obsolete or ineffective.
- It is appropriate to have rules that say, “PSAPs must be able to process NG 9-1-1 calls, and to do that you have to adopt industry best practices without actually mandating a particular standard.
- Are there quality of service standards that PSAPs can meet to ensure they deliver minimum level of service quality? That way, local decision making can still be used to decide how to maintain their technologies.
- Technology should provide for the flexible and/or graduated adoption of technology standards, while ensuring that primary PSAPs meet minimum service levels.
- Currently, it is up to local PSAPs to decide whether or not to follow NENA standards and best standards. It is voluntary. We can continue with this approach, but DOA is going to establish standards. The Council needs to provide input on whether a “carrot or a stick” type of incentive will be used to ensure that PSAPs meet a certain minimum standard in order to be eligible for funding.
- The intent is not to set standards that will restrict competition, but rather to specify base-level standards for the operation of PSAPs and NG 9-1-1 technology.
- There are areas where standards will need to be more specific, for example, the ESRI GPS mapping software system. The standard should be that PSAPs across the state use ESRI GPS for mapping rather than, say, Intergraph, which is a totally different way of doing mapping. If PSAPs are going to be part of a statewide network, they have to consistently follow the same GPS standard.
- Technical standards can be promulgated as rules on a case-by-case basis.
- Since there is no standard statewide radio system, MHP is looking at purchasing expensive multi-band radios for all its patrol cars. Clearly, some standards are needed to guide this process so as to avoid costly and ludicrous duplications.

Public Comment: Mike Fashoway, Montana State Library, was asked to speak. He agreed with the points made about the need for certain technical standards, but does not believe they should be in statute because of rapidly evolving technology.

Quinn summarized the general agreement of the discussion thus far:

- DOA will have the rule making authority to adopt standards
- If a PSAP doesn’t meet those standards, it won’t be eligible for funding.

The group continued its discussion with the following comments:

- There is a long history of voluntary adoption of standards, such as Project-25, which has resulted in inconsistent implementation.
- Bill Hunter posed the question: If a PSAP needs to make a substantial upgrade of its equipment based on standards adopted in rule making, can the Council award funding to assist that PSAP in getting upgraded? This will be part of funding discussion.

- Conceivably, requirements could be put in place stating that PSAPs have to spend their 9-1-1 funding first on needed upgrades to become compliant with standards before they can spend their money on other things.

Motion: Gary Macdonald moved to adopt the technology recommendations as written. Lisa Kelly seconded. The motion carried.

FUNDING: This section includes recommendations for the allocation, distribution and expenditure of state 9-1-1 program funding. The majority opinion was to continue with the spirit of the current statute, which in essence is the collection of a \$1.00 fee from providers with 75¢ being reallocated via formula and distributed back to local governments and 25¢ being retained for telecommunications cost recovery.

Quinn explained the need to simplify the 9-1-1 fee statutory language so it simply reads: “\$1.00 a month per access line on each service subscriber,” which is a staff recommendation for cleanup. The current statute creates unnecessary confusion. The draft language also clarifies that all fees will go into a single account. Currently, the statute requires the funds to go into three different accounts and two sub-accounts.

The draft concepts continue with the following language: “Update program statutes to include the following funding priorities:

1. Program and 9-1-1 Advisory Council (Administration).
2. Telecommunications Providers cost recovery.
3. Allocation and distribution of funding to eligible local governments and 9-1-1 districts to maintain legacy 9-1-1 systems and services.
 - a. Total funds distributed shall not be less than \$40,000 quarterly/\$160,000 annually to each eligible local government or 9-1-1 district.
 - b. Total funds distributed shall not exceed \$60,000 quarterly/\$240,000 annually to each eligible local government or 9-1-1 district.
4. Granting of funds for the deployment of Next Generation 9-1-1 technologies, systems and services.”

A fixed amount was used in the draft language, although previous discussions did not show a definite consensus on this topic. Quinn shared distribution of funds from the most recent quarter as follows:

- About \$822,000 per 25¢
- Total: About \$2.466 million per quarter, or about \$9.864 million annually
- The lowest distribution amount was \$26,393.60 or \$105,574.40 annually
- If revenues continue, the minimum level received by any PSAP would be about \$105,000/year
- The highest distribution goes to Yellowstone County: it receives about \$250,000 quarterly and \$1 million annually.

Quinn opened the floor for discussion.

- If sections a. and b. were to take effect, how much money would be available for Item 4, the granting of funds for NG 9-1-1 deployment? This is difficult to predict because of the telecommunications providers account varies. A general estimate might be around \$800,000.

Chris Lounsbury presented a funding model this morning at the NG 9-1-1 Working Group meeting, which takes 10% of funds off the top that could be used for administration and statewide initiatives before it gets to the 75-25 split. He was invited to give an overview.

Public Comment: Chris Lounsbury, Missoula 9-1-1, gave a brief example using the figure of 13 million collected each year for the 9-1-1 program. Ten percent of that total is \$1.3 million. Right now, DOA’s administrative budget is a little over \$300,000, leaving \$1 million remaining. The state needs \$5 million to upgrade the existing network and the rest of the legacy PSAPs to improve everyone’s equipment to what is

needed for NG 9-1-1. That \$1 million could be accumulated each year and within five years, enough money would be put aside to pay for the upgrade. Money could continue to be allocated by the Council for those PSAPs whose regular quarterly distributions would not cover the cost of a large needed upgrade.

Chris asked for a clarification of the figures used in Item 3b (“Total funds distributed shall not exceed \$60,000 quarterly/\$240,000 annually to each eligible local government or 9-1-1 district.”) to determine if these amounts would come from the 25% Wireless Cost Recovery Fund or from the 75% that goes to PSAPs. If it is from the 75%, it would amount to about a \$500,000 decrease, resulting in two-thirds of his operating budget being cut, which is not sustainable.

- There is consensus that PSAPs require stable funding streams in order to maintain their operations.
- Bill Hunter advocated a two-tiered system. Funding NG 9-1-1 should not be at the expense of current 9-1-1 operations. The fixed numbers proposed in Items 3a and 3b of the draft concepts would cut a number of PSAPs off at the knees. He believes the funding formula should remain the same. DOA, with advice from the Council, should be allowed to administer the Wireless Cost Recovery Fund. Rather than limit these funds to just “wireless,” they should be available to fund all new technologies that evolve in the future. The first priority should be wireless cost recovery, but after that, the Council should be allowed to effectively budget and manage those funds. Vendor and NG 9-1-1 roll out requests can be addressed from this 25% allocation.
- Geoff Feiss appreciates this perspective, but believes that all providers need funding stability and predictability, too. He expressed concern about the need for guidelines for allowable costs, parameters for possible dispersal of monies from the Wireless Cost Recovery Fund to PSAPs, clarity of rulemaking authority, and clear funding priorities. He also mentioned that some providers have requested wireless cost recovery funds and haven’t received them.
- Commissioner Macdonald does not want PSAPs to lose any money, but does like the idea of having a little more control over how those funds are spent. MACo won’t support a proposal where PSAPs lose funding either. It is very important that PSAPs be kept to at least the same funding levels they currently receive. A cost-of-living increase could be considered as well.
- A question was asked about how much money resides in the three 9-1-1 accounts. Estimates were provided as follows:
 - Local reported savings funds were \$28 million (based on a one-time expenditure report from 3-4 years ago.) Since PSAPs have probably purchased new equipment since then, that figure is probably not accurate. Many have purchased new Computer-Aided Dispatch (CAD) equipment, which is expensive.
 - The Wireless Cost Recovery account has close to \$10 million.
- It was clarified that once local governments close out their fiscal year, they then have about year to prepare reports, so financial information is always in arrears.
- Everyone says we don’t have enough money to fix our 9-1-1 system, yet several million dollars are sitting in accounts that are not being spent on updating 9-1-1. Perhaps the current funding allocation model is not working. In order to make an informed recommendation to the legislature to do something, a thorough understanding is needed of the math involved. Some 9-1-1 communications centers across the state are clearly in need of equipment upgrades, which one would assume they would be upgrading if they had access to adequate funding.
- All 9-1-1 savings accounts are maintained by local jurisdictions, who decide what amounts will be put aside. Some have no savings, while others have accumulated significant amounts.
- Large dollar amounts in these local savings accounts can create a bad perception.
- Gary MacDonald reported that Roosevelt County started its fiscal year with about \$574,000 in its 9-1-1 savings account. It has just spent about \$200,000 upgrading software, and is now looking at purchasing new computers.
- If a set of rules and funding priorities were developed, some 9-1-1 centers would have a better idea of what to spend their funding on.

- The recent Legislative Audit recommends that 9-1-1 funds not be used to build buildings (although this is not precluded in current statute) and that allowable costs be more clearly defined.
- Most PSAPs use a majority of their 9-1-1 funds for operational expenses, and don't have a lot of excess to put aside.
- A few priorities have been identified as to what the Council would like the State of Montana to do, including: Deploying an emergency services statewide internet. Resources are needed to do this; however, one of the first requirements when the Council first started meeting was not to increase the fee or taxes. Some sort of compromise is needed. As soon as the topic of funding is brought up, discussions can get contentious. However, resources are needed to move forward with NG 9-1-1 and other technologies.
- Bill Hunter shared that a recent proposal to share its CPE server with nearby PSAPs died because they could not afford the ongoing operational expense of the network connectivity fees, which would connect the remote PSAP to the primary server. These fees were going to be between \$600 and \$800 a month. This concept would have saved them about \$250,000 on their CPE. Taking 10% off the top of the 75% of 9-1-1 fees collected will have a major impact on smaller PSAPs.
- If the State was going to save \$250,000 with the CPE concept, then the Council could conceivably allocate those savings back to the small PSAPs involved. A comprehensive approach to deploying 9-1-1 and rules that specify the priorities (including networking) is needed. We need to come up with rules and legislation that could be used to achieve these savings.
- Perhaps the savings and functionality of having a redundant system outlined in the CPE concept could be re-addressed at a later time.
- The State of Montana used to have a statewide network procurement and RFP that was paid for by one-time grant funding. It expired about five years ago. Since that time, each PSAP has its own individual contract. Hypothetically, you could deploy the technology needed for NG 9-1-1 with each individual PSAP. PSAPs, as a whole, will end up paying more because there are no economies of scale. You might also see a patchwork of providers and technologies, although it would be expected that providers would follow industry technology standards. Or, can bring it up to the state level and potentially have some economies of scale as well as a uniform network that connects all PSAPs in Montana. This could even be expanded to the region with neighboring states.
- A lot of the technologies we see today did not even exist when the current 9-1-1 statute was passed. Technology is driving change, which creates discomfort. It is challenging the way business has been conducted over the last 30 years. In order to deploy these new technologies, we going to have to do things differently, such as going out with a statewide RFP for the ESInet. If we do that, the resources have to come from somewhere. It is unlikely that any proposal or recommendation submitted that has an increase in fees or taxes associated with it will go anywhere.
- Initially, the Wireless Cost Recovery funds and 9-1-1 local savings accounts need to be expended, and this should be done quickly. Then, the true picture of financial need can be drawn, which is we need more funding into the 9-1-1 system to make these new technologies and services happen. This is a difficult argument when certain 9-1-1 accounts run into the millions of dollars. We have a difficult recommendation to make here. If consensus is not possible, perhaps the recommendation can be to continue to study it.
- Because of the late hour, it was recommended that progress made on the first three topics of Jurisdiction, Governance, and Technology be submitted to the ETIC. Further discussion is needed on the funding recommendations.
- Funding recommendations have to include doing something with the Wireless Cost Recovery funds and 9-1-1 local savings accounts.
- Accountability is needed and rules need to be clear. The current automatic dispersal method to PSAPs is not associated with actual costs. The Council needs to find out how money is actually being spent. Data is needed, and the Council doesn't have it yet.
- If we have the opportunity to save taxpayers \$250,000 and can't do it, then the funding model clearly is not working. Before a recommendation can be made to the legislature, rough numbers are needed on

what is currently in the local 9-1-1 savings accounts. Col. Butler offered help from his office if assistance is needed to dig through financial reports.

- The Wireless Cost Recovery funds and 9-1-1 local savings accounts need to be depleted before going to the legislature.
- Budgets showing what it takes to run a communications center—both those above and below 30,000 populations—are needed to help the Council have a better idea of what it takes to run a communications center in terms of staffing and equipment. Also, what does it take on the phone company side to make a 9-1-1 center work? What are the needs in Montana today to upgrade equipment? What is a hard and fast budget to meet those needs? A wide range of estimates have been used.
- PSAPs need to continue to manage their own monies. Members were referred to the draft legislative concepts that say the Council continues “to support local decision making and operations of primary PSAPs at the local level. The Council needs to be careful about saying whether or not PSAPs are managing their money appropriately.
- Strong rules are needed on what PSAPS can spend money for and also to let them know they can’t hoard the money.
- PSAPs should not be allowed to spend 9-1-1 program funds on infrastructure such as buildings.
- The Council won’t be able to arrive at a consensus today given the time constraints. Recommendations need to be finalized. Since the next ETIC meeting is March 11, could a conference call or meeting be held in a week or so?
- Quinn proposed creating a second draft of the legislative concepts that provides an overview of what the Council has taken action on thus far. In addition, the most current and best available funding information needs to be compiled, such as total amount of funding, how much goes to whom, on how much money is in the local 9-1-1 savings accounts, etc. Then, a conference call will be scheduled.
- Chris Lounsbury volunteered to prepare a breakdown of the Missoula 9-1-1 Center’s budget. It could be posted to website and/or sent to all members.
- The ETIC meets March 11, May 12-13, July 14-15 and Sept. 9. The Sept. meeting is their last meeting before the legislative session begins.
- The ETIC evidently wants the Council’s final consensus on these high-level concepts by its March meeting.
- The Council needs more time to thoughtfully consider all aspects of the funding issue and come to consensus. The concepts agreed upon today could be provided to the ETIC prior to the March 11 meeting. It was suggested that the Council ask the ETIC for permission to submit its consensus on funding issues at the next ETIC meeting. Adequate time is needed for a thorough analysis of the myriad of issues involved.
- The Council already has meetings scheduled for March 17 and April 21. Since the NG 9-1-1 Working Groups is no longer meeting, the Council could potentially meet all day on those dates.
- It was reiterated that accurate balances of the 9-1-1 local savings and Wireless Cost Recovery accounts are needed to understand how to make everything work. In addition, budgets for small, medium and large PSAPs are needed for analysis as well as estimates for telecommunication company investments. No negative implication was intended regarding how PSAPs currently spend their 9-1-1 program funding. There may be very valid reasons for having local 9-1-1 savings accounts across the state. The Council just has to have a good understanding in order to make its recommendations.
- The planned March and April Council meetings will be held, starting at 9:00 or 10:00 am to give people time to travel. They will focus specifically on funding.
- The decisions made today on Jurisdiction, Governance and Technology will be summarized in preparation for submission to the ETIC. A request will be made for more time to prepare the funding concepts so they can be submitted by the ETIC meetings in May or July.

PUBLIC COMMENT: None

Adjourn/Next Meeting: The meeting adjourned at 4:10. The next meeting is March 17 in the State Capitol, starting at 1:30pm